



Public Affairs Office

MEDICARE NEWS

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**STATEMENT OF TOM SCULLY, ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
ON MEDICARE-ENDORSED Rx DISCOUNT DRUG CARD PROGRAM**

Today we are issuing a proposed regulation for public comment that will establish a program to help people who are covered by Medicare buy their prescription drugs at lower costs.

The President is committed to a comprehensive plan to strengthen Medicare that includes prescription drugs for every senior. To lay the foundation for his plan, the President recently announced three initiatives that can be implemented quickly as part of efforts to improve Medicare benefits. They include a new Medicaid 'model waiver' program, Pharmacy Plus, which will help states use their Medicaid programs to provide prescription drug coverage; the Medicare Low-Income Drug Assistance proposal that will help to quickly phase in comprehensive drug coverage for Medicare beneficiaries up to 150 percent of poverty; and today's proposed Medicare Rx Drug Card that will give seniors access to drug discounts from manufacturers using the best features of private drug benefits.

A drug discount plan is not intended to be a drug benefit, but simply a first step to provide Medicare beneficiaries with better information about pharmacy services and help them buy prescription drugs at lower costs.

Seniors and people with disabilities deserve access to the same kind of group-negotiated, bulk prescription drug discounts that most other Americans enjoy through their insurers. The drug discount card program will provide some necessary price relief to the millions of seniors and disabled Americans who are often the only ones who now pay full price for their prescriptions.

The improved proposal reflects creative changes that followed the initial announcement of the card. Several drug manufacturers and states have announced new programs that provide drug discounts for low-income seniors, illustrating the kind of assistance that the drug card will further enhance, helping make affordable prescription drugs more widely available. Information about these existing drug discount cards is available on CMS's www.medicare.gov website and by calling 1-800-MEDICARE (1-800-633-4227).

The formal 'notice and comment' process on the proposed drug card will permit further improvements in the program before it is implemented.

CMS will continue to work with Congress in a bipartisan effort to reform and strengthen Medicare, and to add a full prescription drug benefit for all seniors and disabled beneficiaries. A Medicare drug discount program is a building block toward that goal.